



## State of Utah

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## Utah State Tax Commission

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*Executive Director*

September 4, 2007

Name  
Company Name  
Address  
City, State Zip

### ***RE: Verification of Sales and Use Tax and Transient Room Tax***

Dear Name:

The Auditing Division of the Utah State Tax Commission is currently conducting a self-review project on vacation rental properties. A self-review project consists of selected businesses or individuals reviewing their own books and records for potential tax liabilities. Self-reviews are designed to help you become familiar with the tax laws that relate to your business, and assist you in future compliance to help you avoid unwanted penalties and interest.

Sales tax and transient room tax are imposed on rooms or lodgings that are regularly rented for less than 30 consecutive days. This includes accommodations and services offered by individuals, hotels, motels, tourist homes, and other similar public lodgings. We have obtained information indicating you are providing these types of accommodations in Utah.

### ***What you should do:***

Please read the enclosed **Examples** sheet. It lists fees commonly charged by lodging providers that are subject to sales tax and transient room tax. Also, it lists some common purchases made by lodging providers, who are considered to be the final consumers of furnishings provided to guests, and are liable for sales and use tax on the purchases.

To perform the self-review, please follow the **Instructions** included in this packet. The enclosed **Checklist & Questionnaire** outlines the forms you will need to complete and submit. It is important you return the completed forms in the envelope provided, along with your payment of computed tax and interest, if applicable, by **October 5, 2007**.

If a careful review of your records shows Utah sales and use tax and transient room tax were always properly charged to your customers and reported to the Tax Commission,

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and use tax was reported for all cases where the seller did not charge you tax on a taxable purchase, please do the following:

1. Fill out the **Checklist & Questionnaire**.
2. Complete the **Summary**, including Section C, indicating why you do not owe tax, and sign and date it.
3. Please return the above documents in the envelope provided by **October 5, 2007**.

If you are a broker, or if your property is being maintained by a property management company, please indicate this on Section C of the **Summary**. Please provide the name and address of the individual or property management company responsible for operating the property.

Please note, all self-reviews are subject to verification by auditors. Any tax self-reported and paid as part of this self-review will be subject only to interest, and the review period will be limited to three years. However, if you do not respond to this notice, we may contact you to schedule an audit. If no sales and use tax or transient room tax returns have been filed, the normal three-year statute of limitations does not apply and the Tax Commission may assess tax, interest and penalty for an unlimited period.

***If you have questions or need additional time:***

Email us at [comp@utah.gov](mailto:comp@utah.gov) or you may contact one of the following:

Matt Duke	(801) 297-4670
Steve Peterson	(801) 297-4758
Ralph Hoggan	(801) 297-4759

Additional information to help you complete this self-review can be found on our website at <http://tax.utah.gov/selfreview> (select the **Vacation Rental Properties** link). You may also read related tax references in Title 59 Chapter 12 of the Utah Code, Administrative Rules R865-19S-79, R865-19S-96, and R865-21U-6, found on our website at <http://tax.utah.gov/>.

Thank you for your prompt attention and cooperation regarding this matter.

Respectfully,

Michael Christensen  
Tax Audit Manager

Enclosures  
mbd